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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-090, C-570-091]

Certain Steel Trailer Wheels 12 to 16.5 Inches from the People's Republic of China:  
Antidumping Duty and Countervailing Duty Orders

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: Based on affirmative final determinations by the Department of Commerce (Commerce) and the International Trade Commission (ITC), Commerce is issuing antidumping duty (AD) and countervailing duty (CVD) orders on imports of certain steel wheels 12 to 16.5 inches in diameter (certain steel wheels) from the People's Republic of China (China).

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Kyle Clahane and Charles Doss at (202) 482-5449 and (202) 482-4474, respectively (AD), and Keith Haynes at 202-482-5139 (CVD), AD/CVD Operations, Office III, Enforcement and Compliance, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

In accordance with sections 705(d) and 735(d) of the Tariff Act of 1930, as amended (the Act), on July 9, 2019, Commerce published its affirmative final determination of sales at less than fair value (LTFV) and affirmative finding of critical circumstances in the AD investigation of certain steel wheels from China, and its affirmative final determination that countervailable subsidies are being provided to producers and exporters of steel wheels from China and

affirmative finding of critical circumstances.<sup>1</sup> On August 22, 2019, the ITC notified Commerce of its final affirmative determinations that an industry in the United States is materially injured by reason of LTFV imports and subsidized imports of certain steel wheels from China, within the meaning of sections 705(b)(1)(A)(i) and 735(b)(1)(A)(i) of the Act.<sup>2</sup> The ITC also notified Commerce of its negative findings concerning critical circumstances with regard to imports of this product from China.<sup>3</sup>

#### Scope of the Orders

The products covered by these orders are certain steel wheels 12 to 16.5 inches in diameter from China. For a complete description of the scope of the orders, *see* the appendix to this notice.

#### AD Order

On August 22, 2019, in accordance with section 735(d) of the Act, the ITC notified Commerce of its final determination that an industry in the United States is materially injured within the meaning of section 735(b)(1)(A)(i) of the Act by reason of imports of steel wheels from China that are sold in the United States at LTFV. Therefore, in accordance with section 735(c)(2) of the Act, we are issuing this AD order. Because the ITC determined that imports of certain steel wheels from China are materially injuring a U.S. industry, unliquidated entries of such merchandise from China entered, or withdrawn from warehouse, for consumption are subject to the assessment of antidumping duties.

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<sup>1</sup> *See Certain Steel Trailer Wheels 12 to 16.5 Inches in Diameter from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value, and Final Affirmative Determination of Critical Circumstances*, 84 FR 32707 (July 9, 2019) (AD Final Determination); *see also Certain Steel Trailer Wheels 12 to 16.5 Inches in Diameter from the People's Republic of China: Final Affirmative Countervailing Duty Determination, and Final Affirmative Determination of Critical Circumstances*, 84 FR 32723 (July 9, 2019) (CVD Final Determination).

<sup>2</sup> *See* ITC's Letter, "Notification of ITC Final Determinations," dated August 22, 2019 (ITC Notification); *see also Steel Trailer Wheels from China*, Inv. No. 701-TA-609 and 731-TA-1421 (USITC Publication 4943).

<sup>3</sup> *Id.*

Therefore, in accordance with section 736(a)(1) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by Commerce, antidumping duties equal to the amount by which the normal value of the merchandise exceeds the export price (or constructed export price) of the merchandise, for all relevant entries of certain steel wheels from China. Antidumping duties will be assessed on unliquidated entries of certain steel wheels from China entered, or withdrawn from warehouse, for consumption on or after April 22, 2019, the date of publication of the *AD Preliminary Determination*.<sup>4</sup>

#### Continuation of Suspension of Liquidation – AD

In accordance with section 736 of the Act, we will instruct CBP to continue the suspension of liquidation on entries of certain steel wheels from China, effective on the date of publication in the *Federal Register* of the ITC's final affirmative injury determination. These instructions suspending liquidation will remain in effect until further notice.

We will also instruct CBP to require cash deposits equal to the amount as indicated below. Accordingly, effective on the date of publication in the *Federal Register* of the ITC's final affirmative injury determination, CBP will require, at the same time as importers would normally deposit estimated duties on the subject merchandise, a cash deposit equal to the estimated weighted-average dumping margins listed below. As stated in the *AD Final Determination*, Commerce made certain adjustments for export subsidies from the *CVD Final Determination* to the estimated weighted-average dumping margins to determine each of the cash deposit rates.

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<sup>4</sup> See *Certain Steel Wheels 12 to 16.5 Inches in Diameter from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, and Preliminary Affirmative Determination of Critical Circumstances*, 84 FR 16643 (April 22, 2019) (*AD Preliminary Determination*).

<b>Exporter</b>	<b>Producer</b>	<b>Weighted-average margin (percent)</b>	<b>Cash deposit rate (adjusted for subsidy offsets) (percent)</b>
Changzhou Chungang Machinery Co., Ltd	Changzhou Chungang Machinery Co., Ltd	38.27	16.57
China-Wide Entity		44.35	22.65

### Critical Circumstances

With regard to the ITC's negative critical circumstances determination on imports of certain steel wheels from China, we will instruct CBP to lift suspension and to refund any cash deposits made to secure the payment of estimated antidumping duties with respect to entries of certain steel wheels from China, entered, or withdrawn from warehouse, for consumption on or after January 22, 2019 (*i.e.*, 90 days prior to the date of publication of the *AD Preliminary Determination*), but before April 22, 2019 (*i.e.*, the date of publication of the *AD Preliminary Determination*).

### CVD Order

On August 22, 2019, in accordance with section 705(d) of the Act, the ITC notified Commerce of its final determination that the industry in the United States producing steel wheels is materially injured within the meaning of section 705(b)(1)(A)(i) of the Act by reason of subsidized imports of steel wheels from China.<sup>5</sup> Therefore, in accordance with section 705(c)(2) of the Act, we are issuing this CVD order.

As a result of the ITC's final determination, in accordance with section 706(a) of the Act, Commerce will direct CBP to assess, upon further instruction by Commerce, countervailing duties on unliquidated entries of subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after February 25, 2019, the date on which Commerce

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<sup>5</sup> See ITC Notification.

published the *CVD Preliminary Determination*<sup>6</sup> and before June 25, 2019, the effective date on which Commerce instructed CBP to discontinue the suspension of liquidation in accordance with section 703(d) of the Act. Section 703(d) of the Act states that the suspension of liquidation pursuant to a preliminary determination may not remain in effect for more than 120 days. Therefore, entries of subject merchandise from China made on or after June 25, 2019, and prior to the date of publication of the ITC's final determination in the *Federal Register* are not subject to the assessment of countervailing duties due to Commerce's discontinuation of the suspension of liquidation.

#### Suspension of Liquidation – CVD

In accordance with section 706 of the Act, Commerce will direct CBP to reinstitute the suspension of liquidation of subject merchandise from China, effective on the date of publication of the ITC's final affirmative injury determination in the *Federal Register*, and to assess, upon further instruction by Commerce pursuant to section 706(a)(1) of the Act, countervailing duties for each entry of certain steel wheels in an amount based on the net countervailable subsidy rates for the subject merchandise. On or after the date of publication of the ITC's final injury determination in the *Federal Register*, Commerce will instruct CBP to require, at the same time as importers would normally deposit estimated duties on the subject merchandise, a cash deposit for each entry of subject merchandise equal to the subsidy rates listed below.<sup>7</sup> The all-others rate applies to all producers or exporters not specifically listed below, as appropriate.

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<sup>6</sup> See *Certain Steel Wheels 12 to 16.5 Inches in Diameter from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination*, 84 FR 5989 (February 25, 2019) (*CVD Preliminary Determination*).

<sup>7</sup> See section 706(a)(3) of the Act.

<b>Producer/Exporter</b>	<b>Subsidy Rate (percent)</b>
Xingmin Intelligent Transportation Systems (Group)	386.45
Zhejiang Jingu Company Limited	388.31
All Others	387.38

#### Provisional Measures – CVD

Section 703(d) of the Act states that the suspension of liquidation pursuant to an affirmative preliminary determination may not remain in effect for more than four months. Commerce published the affirmative *Preliminary Determination* on February 25, 2019. Therefore, the four-month period beginning on the date of the publication of the *Preliminary Determination* ended on June 25, 2019.

Therefore, in accordance with section 733(d) of the Act, Commerce instructed CBP to terminate the suspension of liquidation and to liquidate, without regard to antidumping duties, unliquidated entries of certain steel wheels from China entered, or withdrawn from warehouse, for consumption on or after June 25, 2019, the date on which the provisional measures expired, through the day preceding the date of publication of the ITC Final Determinations in the *Federal Register*. Suspension of liquidation will resume on the date of publication of the ITC Final Determination in the *Federal Register*.

#### Critical Circumstances

With regard to the ITC's negative critical circumstances determination on imports of certain steel wheels from China, we will instruct CBP to lift suspension and to refund any cash deposits made to secure the payment of estimated countervailing duties with respect to entries of certain steel wheels from China, entered, or withdrawn from warehouse, for consumption on or after November 27, 2018 (*i.e.*, 90 days prior to the date of publication of the *CVD Preliminary*

*Determination*), but before February 25, 2019 (*i.e.*, the date of publication of the *CVD Preliminary Determination*).<sup>8</sup>

#### Notification to Interested Parties

This notice constitutes the AD and CVD orders with respect to certain steel wheels from China pursuant to sections 706(a) and 736(a) of the Act. Interested parties can find a list of orders currently in effect at <http://enforcement.trade.gov/stats/iastats1.html>.

These orders are published in accordance with sections 706(a) and 736(a) of the Act and 19 CFR 351.211(b).

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Dated: August 23, 2019

Jeffrey I. Kessler,  
Assistant Secretary  
for Enforcement and Compliance.

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<sup>8</sup> See *CVD Preliminary Determination*.

## **Appendix**

### **Scope of the Orders**

The products subject to these orders are certain on-the-road steel wheels, discs, and rims for tubeless tires with a nominal wheel diameter of 12 inches to 16.5 inches, regardless of width. Certain on-the-road steel wheels with a nominal wheel diameter of 12 inches to 16.5 inches within the scope are generally for road and highway trailers and other towable equipment, including, inter alia, utility trailers, cargo trailers, horse trailers, boat trailers, recreational trailers, and towable mobile homes. The standard widths of certain on-the-road steel wheels are 4 inches, 4.5 inches, 5 inches, 5.5 inches, 6 inches, and 6.5 inches, but all certain on-the-road steel wheels, regardless of width, are covered by the scope.

The scope includes rims and discs for certain on-the-road steel wheels, whether imported as an assembly, unassembled, or separately. The scope includes certain on-the-road steel wheels regardless of steel composition, whether cladded or not cladded, whether finished or not finished, and whether coated or uncoated. The scope also includes certain on-the-road steel wheels with discs in either a “hub-piloted” or “stud-piloted” mounting configuration, though the stud-piloted configuration is most common in the size range covered.

All on-the-road wheels sold in the United States must meet Standard 110 or 120 of the National Highway Traffic Safety Administration’s (NHTSA) Federal Motor Vehicle Safety Standards, which requires a rim marking, such as the “DOT” symbol, indicating compliance with applicable motor vehicle standards. See 49 CFR 571.110 and 571.120. The scope includes certain on-the-road steel wheels imported with or without NHTSA’s required markings.

Certain on-the-road steel wheels imported as an assembly with a tire mounted on the wheel and/or with a valve stem or rims imported as an assembly with a tire mounted on the rim and/or with a valve stem are included in the scope of these orders. However, if the steel wheels or rims are imported as an assembly with a tire mounted on the wheel or rim and/or with a valve stem attached, the tire and/or valve stem is not covered by the scope.

The scope includes rims, discs, and wheels that have been further processed in a third country, including, but not limited to, the painting of wheels from China and the welding and painting of rims and discs from China to form a steel wheel, or any other processing that would not otherwise remove the merchandise from the scope of the orders if performed in China.

Excluded from this scope are the following:

- (1) Steel wheels for use with tube-type tires; such tires use multi piece rims, which are two-piece and three-piece assemblies and require the use of an inner tube;
- (2) aluminum wheels;
- (3) certain on-the-road steel wheels that are coated entirely in chrome. This exclusion is limited to chrome wheels coated entirely in chrome and produced through a chromium electroplating process, and does not extend to wheels that have been finished with other processes, including, but not limited to, Physical Vapor Deposition (PVD);
- (4) steel wheels that do not meet Standard 110 or 120 of the NHTSA’s requirements other than



the rim marking requirements found in 49 CFR 571.110S4.4.2 and 571.120S5.2;  
(5) steel wheels that meet the following specifications: steel wheels with a nominal wheel diameter ranging from 15 inches to 16.5 inches, with a rim width of 8 inches or greater, and a wheel backspacing ranging from 3.75 inches to 5.5 inches; and  
(6) steel wheels with wire spokes.

Certain on-the-road steel wheels subject to these orders are properly classifiable under the following category of the Harmonized Tariff Schedule of the United States (HTSUS): 8716.90.5035 which covers the exact product covered by the scope whether entered as an assembled wheel or in components. Certain on-the-road steel wheels entered with a tire mounted on them may be entered under HTSUS 8716.90.5059 (Trailers and semi-trailers; other vehicles, not mechanically propelled, parts, wheels, other, wheels with other tires) (a category that will be broader than what is covered by the scope). While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the subject merchandise is dispositive.

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